



# MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

## EMPLOYMENT TRENDS

The seasonally adjusted unemployment rate for the Magic Valley Labor Market Area (LMA) was 4.3 percent for September 2003 as shown in Magic Valley Table 1. This is four-tenths of a percentage point higher than August 2003 and five-tenths of a percentage point higher than September 2002. Year-over-year, the number of workers unemployed increased by 460 or 22.5 percent. The *Civilian Labor Force* increased by 4,610 workers to 53,820.

Overall, *Nonfarm Payroll Jobs* increased by 2,330, or 5.7 percent, year-over-year. This was one of the highest increases in *Nonfarm Payroll Jobs* in the state. The sectors that had the largest increases were *Professional & Business Services* and *Educational & Health Services* at 22.6 and 24.6, respectively. This has been the trend for the last several months. This is not surprising because the largest portion of *Nonfarm Payroll Jobs* are in these sectors, which continue to grow as the Magic Valley LMA's economy also continues growing at a strong rate. A couple areas of interest are *Retail Trade* and *Wholesale Trade* with increases of 2.9 and 3.0, respectively. These sectors had been showing sluggish growth or even declines in the early part of 2003, but the addition of Best Buy and Sportsmen's Warehouse on the canyon rim area have stimulated both *Retail Trade* and *Wholesale Trade*. Sectors that had major declines were *Natural Resources & Mining*, *Utilities*, and *Government Education*. *Natural Resources & Mining* jobs in the Magic Valley LMA are devoted almost entirely to rock crushing and extraction, and new machinery has caused a reduction in the already small number of workers in this sector. The drop in the number of *Utilities* jobs is due to consolidation and streamlining of service providers in this sector.

Once again, the Magic Valley economy continues to perform amazingly well compared to other areas, but adverse economic events have had a measurable effect. The closure of the Moore North American plant in Jerome County, a busi-

Magic Valley Table 1: Labor Force & Employment  
Twin Falls, Jerome, and Gooding Counties

	Sept 2003*	Aug 2003	Sept 2002	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	53,820	53,930	49,210	-0.2	9.4
Unemployment	2,290	2,090	1,870	9.6	22.5
% of Labor Force Unemployed	4.3	3.9	3.8		
Total Employment	51,530	51,840	47,340	-0.6	8.9
<b>Unadjusted</b>					
Civilian Labor Force	54,900	55,260	50,400	-0.7	8.9
Unemployment	1,880	2,190	1,550	-14.2	21.3
% of Labor Force Unemployed	3.4	4.0	3.1		
Total Employment	53,020	53,070	48,850	-0.1	8.5
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	43,250	42,830	40,920	1.0	5.7
<b>Goods-Providing Industries</b>	8,130	7,960	7,920	2.1	2.7
Natural Resources & Mining	20	20	30	0.0	-33.3
Construction	2,350	2,300	2,170	2.2	8.3
Manufacturing	5,760	5,630	5,730	2.3	0.5
Food Manufacturing	3,820	4,120	3,820	-7.3	0.0
Other Manufacturing	1,930	1,510	1,910	27.8	1.0
<b>Service-Providing Industries</b>	35,120	34,780	33,000	1.0	6.4
Trade, Transportation & Utilities	10,170	10,170	9,870	0.0	3.0
Wholesale Trade	1,900	1,810	1,830	5.0	3.8
Retail Trade	5,960	6,030	5,790	-1.2	2.9
Utilities	160	190	210	-15.8	-23.8
Transportation & Warehousing	2,150	2,150	2,040	0.0	5.4
Information	500	500	490	0.0	2.0
Financial Activities	1,760	1,750	1,670	0.6	5.4
Professional & Business Services	6,460	6,280	5,270	2.9	22.6
Educational & Health Services	3,800	3,730	3,050	1.9	24.6
Leisure & Hospitality	3,700	3,470	3,580	6.6	3.4
Other Services	1,520	1,410	1,450	7.8	4.8
Government Education	3,090	3,570	3,500	-13.4	-11.7
Government Administration	4,120	4,000	4,120	3.0	0.0

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

ness forms and other paper products company, has strongly impacted unemployment there. Jerome County's unemployment rate increased one full percentage point since last year, almost totally attributable to the Moore closure. However, the excellent business diversity that has evolved in the Magic Valley LMA has helped stabilize unemployment by providing a wider range of job options to the dislocated workers. The City of Twin Falls has already broken the 2002 record year for new housing permits. As a result of this and business expansions, the number of jobs in the *Construction* sector are up 8.3 percent from last year. The outlook for *Construction* continues to be excellent for the early part of 2004 thanks to many new housing permits.

The Blaine County economy has remained stable through 2003 with construction projects once again keeping unemployment low. The summer tourist season was below normal due to drought conditions and high fire danger. Many campgrounds were either closed or had restrictions against

campfires and this reduced the number of tourists in the area. Summer and autumn events, such as Western Days and The Trailing of the Sheep, were well attended. While unemployment rates in the Blaine County area were higher than in the previous year, rates were still low in comparison to other areas of the state.

The Mini-Cassia economy continues to show stress from the adverse impact of the J.R. Simplot Company closure in Heyburn and the indefinite layoff of over 100 employees at McCain Foods. Unemployment rates remain higher than statewide and national averages. The complete closure of Simplot on November 1, 2003, displaced an additional 225 people. A small work crew of 22 people will be displaced in about a month. This will cause an increase of the unemployment rates in the area to 8.5-10.0 percent by the first part of 2004. However, the recent addition of 35 workers at Kraft Foods and the announcement that Coast to Coast Carports, Inc. is building a plant in Heyburn and hiring 20-50 workers may help to stop the downward spiral. It is expected that the unemployment rates in the area will top out in early 2004 and slowly decrease as the effects of the new jobs and possible nationwide economic recovery take hold. Such news has stimulated an air of optimism and holiday hiring is expected to be a little better than expected as retailers have indicated they are rethinking their holiday hiring strategies for 2003.

The Magic Valley LMA economy continues to be stable and one of the best performers in the state. Recent new retail openings and overall optimism have caused retailers to indicate they will hire more holiday workers this year compared to last year. A strong surge in beef prices has helped cattle ranchers immensely since the demand for beef has increased in the United States for the first time in many years. The state of agriculture largely depends on how much snowfall is received this water season. Strong housing starts in Twin Falls makes the outlook for new home construction good in 2004. The announcement that Hydro-Fitting Manufacturing Corporation is locating its business in Twin Falls and will hire 37 works has improved the outlook for light manufacturing jobs in 2004.

#### **AREA DEVELOPMENTS**

- Hydro Fitting Manufacturing Corp. announced that it would be relocating its entire business from Covina, California, to Twin Falls. The company will build a new, ergonomically designed 30,000-square-foot building in Twin Falls and hopes to begin operations by July 2004. It plans to hire 37 local workers with wages ranging from \$8.00 to \$15.00 per hour. There will be building maintenance and parts deburring jobs, and lathe and mill operator positions. The highest paid occupation will be skilled workers who will program computer-guided machines. The company will offer medical and dental benefits to its workers after three months on the job. Hydro Fittings Manufacturing has applied for a Workforce Develop-

ment Training Fund Grant and plans to partner with the College of Southern Idaho (CSI) to train workers.

#### **Blaine, Camas, Jerome, and Lincoln Counties**

- Governor Dirk Kempthorne attended a ribbon-cutting ceremony for Rocky Mountain Hardware in Shoshone October 31. The company built a new 20,000-square-foot facility (replacing a former building?). Ten new jobs have been created by this new facility in Shoshone that now employs 25 workers. The company received a \$141,500 development grant to finance infrastructure costs. Over 100 people attended the ribbon cutting.

#### **Cassia and Minidoka Counties**

- Coast to Coast Carports, Inc. announced that it will be locating a new production facility in Heyburn and will hire 20-50 new workers. Coast to Coast is a subsidiary of TNT Carports, Inc. of Mt. Airy, North Carolina, with facilities in Arkansas and Texas. The announcement was the culmination of a fast-moving economic development arrangement that transpired within only three days. The company had originally considered locating to Jerome, but that city was not able to meet the company's real estate needs. The lead was turned over to the Southern Idaho Economic Development Organization, which then contacted members of the Mini-Cassia Economic Development Commission, and the deal was completed. Coast to Coast will apply for a Workforce Development Training Fund Grant and will partner with CSI for training. There will be a cross-spectrum of jobs ranging from office workers to assemblers and welders.
- Kraft Foods in Rupert announced that it will be adding a new product line and hiring an additional 35 workers. Governor Dirk Kempthorne announced that a \$105,000 Workforce Development Training Fund Grant was awarded to the company to assist in training the new workers.
- The J.R. Simplot Company in Heyburn closed permanently in November displacing approximately 225 more workers; nearly 600 workers have been displaced since the plant first announced it was closing. A 22-person work crew will remain for about another month to finish cleaning and dismantling some equipment. The plant was built in 1960 and has run continuously since it opened. In the late 1980s and early 1990s, the company employed up to 900 people. The company has not indicated what it intends to do with the property.

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Gregory Rogers, Regional Labor Economist  
771 N. College Road, Twin Falls, ID 83303  
(208) 735-2500, ext. 3639  
E-mail: grogers@jobservice.us